CHUBB

PLAINTIFF'S EXHIBIT

UTX-84

THE CHUBB COMMERCIAL UMBRELLA

Premium Bill

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	
Producer	MARSH & MCLENNAN INC. - IBC/DALLAS	

THIS BILLING IS TO BE ATTACHED TO AND FORM A PART OF THE POLICY

Please Send Payment To Agent Or Broker

Coverage		Premium
	$	8,000.00
PRE-PAID		
Total	$	8,000.00

When sending payment please indicate policy or certificate number.

Note: Please return this bill with payment and include any additional changes.

UTEX 000628

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address (Item 1)

UTEX INDUSTRIES
P O BOX 79227
HOUSTON, TX 77079

Policy Number 7977-67-08

Previous Policy No. NEW

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Producer No. 0093561

Producer MARSH & MCLENNAN INC. - IBC/DALLAS
2200 ROSS AVE. STE. 3400
DALLAS, TX 75201-7900

Incorporated under the laws of Indiana

Policy Period *(Item 2)*

From: JUNE 01, 1998 To: JUNE 01, 1999
12:01 A.M. standard time at the address of the insured as stated.

Premium *(Item 3)*

	Amount
	$ 8,000.00

Limits of Insurance *(Item 4)*

		Amount
a.	Each Occurrence	$ 5,000,000.
b.	Products Completed Operations Aggregate	$ 5,000,000.
c.	Other Aggregate (where applicable)	$ 5,000,000.
d.	Retained Limit Aggregate	

Authorization

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

FEDERAL INSURANCE COMPANY

Henry A Aulick
Secretary

President

Authorized Representative

Date June 16, 1998

UTEX 000629

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Schedule of Forms

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

As of the effective date printed above, this is the Schedule of Forms applicable to this policy:

	Form number	
'92 UMBRELLA DECLARATIONS - FEDERAL INS. CO.	07-02-0817	(09/92)
THE CHUBB COMMERCIAL UMBRELLA	07-02-0815	(09/92)
TEXAS AMENDATORY ENDORSEMENT - UMBRELLA	07-02-1066	(11/93)
ADVERTISING INJURY EXCL. - B	07-02-0824	(09/92)
AIRCRAFT PRODUCTS EXCL - A AND B	07-02-0827	(09/92)
CARE, CUSTODY OR CONTROL EXCL. - A AND B	07-02-0837	(09/92)
INTELLECTUAL PROPERTY EXCLUSION COVERAGE A&B	07-02-1146	(06/94)
POLL EXCL - A - ABSOLUTE	07-02-0885	(09/92)
SCHEDULE OF UNDERLYING INSURANCE	07-02-0922	(09/92)

UTEX 000630

THE CHUBB COMMERCIAL UMBRELLA

Schedule of Underlying Insurance

Effective date JUNE 1, 1998

Policy Number 7977-67-08

Insured UTEX INDUSTRIES

Commercial General Liability

Name	FEDERAL INSURANCE COMPANY	$	1,000,000.	*each Occurrence*
		$	2,000,000.	*General Aggregate (other than Products Completed Operations)*
Policy No.	35345969			
Term	06/01/1998			
to	06/01/1999	$	2,000,000.	*Products Completed Operations Aggregate*
Occurrence		$	1,000,000.	*Personal and Advertising Injury*

Automobile Liability

Name	KEMPER LLOYDS INSURANCE CO	*Bodily Injury Liability*		
				each Person
Policy No.	TBD			*each Occurrence*
Term	06/01/1998	*Property Damage Liability*		
to	06/01/1999			*each Occurrence*
		or		
		$	1,000,000.	*Combined Single Limit*

Employee Benefits Liability

Name	FEDERAL INSURANCE COMPANY			*1,000,000 PER CLAIM*
Policy No.	35345969	$	1,000,000.	*AGGREGATE*
Term	JUNE 1, 1998			
to	JUNE 1, 1999			

Occurrence

UTEX 000631

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Schedule of Underlying Insurance

Effective date JUNE 1, 1998

Policy Number 7977-67-08

Insured UTEX INDUSTRIES

Foreign Automobile Liability

Name	GREAT NORTHERN INS COMPANY	$	1,000,000.	*CSL*
Policy No.	73248734			
Term	JUNE 1, 1998			
to	JUNE 1, 1999			

Occurrence

Foreign Employers Liability

Name	GREAT NORTHERN INSURANCE COMPANY	*1,000,000* *1,000,000*
Policy No.	73248734	
Term	JUNE 1, 1998	
to	JUNE 1, 1999	

Occurrence

Foreign General Liability

Name	GREAT NORTHERN INS COMPANY			*1,000,000* *OCCURRENCE*
Policy No.	73248734	$	1,000,000.	*AGGREGATE*
Term	JUNE 1, 1998			
to	JUNE 1, 1999			

Occurrence

Authorization *All other terms and conditions remain unchanged.*

Robert Hamburger

Authorized Representative

Date June 16, 1998

UTEX 000632

Introduction

This liability insurance policy features two insuring agreements:

A. Excess Follow Form Liability coverage; and

B. Umbrella Liability coverage.

Excess Follow Form Liability adds excess limits over scheduled underlying coverages.

Umbrella Liability adds a broadening measure of coverage against many of the gaps in and between the underlying coverages.

Together, these separate coverages share the Limits of Insurance.

UTEX 000633

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Contract

Please read your policy carefully. It explains your rights and duties and what is and what is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured. The words "we", "us", and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such in the Definitions of this policy.

Other words and phrases that are printed in bold-face type are defined in the policy. These definitions are found in the Definitions section or in the specific policy provision where they appear.

Insuring Agreements

Coverage A - Excess Follow Form Liability Insurance

Under Coverage A, we will pay on behalf of the **insured**, that part of **loss** covered by this insurance in excess of the total applicable limits of **underlying insurance**, provided the injury or offense takes place during the Policy Period of this policy. The terms and conditions of **underlying insurance** are with respect to Coverage A made a part of this policy, except with respect to:

A. any contrary provision contained in this policy; or

B. any provision in this policy for which a similar provision is not contained in **underlying insurance**.

With respect to the exceptions stated above, the provisions of this policy will apply.

The amount we will pay is limited as described in Limits of Insurance.

Notwithstanding anything to the contrary contained above, if **underlying insurance** does not cover **loss**, for reasons other than exhaustion of an aggregate limit of insurance by payment of claims, then we will not cover such **loss**.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

If we are prevented by law from paying on behalf of the **insured** for coverage provided under this insurance, then we will indemnify the **insured**.

UTEX 000634

Insuring Agreements

(continued)

Coverage B - Umbrella Liability Insurance

Under Coverage B, we will pay on behalf of the **insured**, damages the **insured** becomes legally obligated to pay by reason of liability imposed by law or assumed under an **insured contract** because of **bodily injury**, **property damage**, **personal injury**, or **advertising injury** covered by this insurance which takes place during the Policy Period of this policy and is caused by an **occurrence**. We will pay such damages in excess of the Retained Limit Aggregate specified in Item 4 d. of the Declarations or the amount payable by **other insurance**, whichever is greater.

Damages because of **bodily injury** include damages claimed by any person or organization for care or loss of services resulting at any time from the **bodily injury**.

This coverage applies anywhere.

The amount we will pay is limited as described in Limits of Insurance.

Coverage B will not apply to any loss, claim or **suit** for which insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the limits of insurance of **underlying insurance**.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

If we are prevented by law from paying on behalf of the **insured** for coverage provided under this insurance, then we will indemnify the **insured**.

Defense and Supplementary Payments

Applicable to Coverage A and Coverage B

A. We have the right and the duty to assume control of the investigation, settlement or defense of any claim or **suit** against the **insured** for damages covered by this policy:

1. under Coverage A, when the applicable limit of **underlying insurance** has been exhausted by payment of claims; or

2. under Coverage B, when damages are sought for **bodily injury**, **property damage**, **personal injury** or **advertising injury** to which no **underlying insurance** or **other insurance** applies.

B. In those circumstances where paragraph A. above applies, in addition to the applicable Limits of Insurance, we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:

1. up to $2,000 for the cost of bail bonds. We do not have to furnish these bonds;

UTEX 000635

Defense and Supplementary Payments

Applicable to Coverage A and Coverage B (continued)

2. the cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds;
3. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**; including actual loss of earnings up to $300 per day because of time off from work;
4. costs taxed against the **insured** in the **suit**;
5. pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and
6. all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

C. In those circumstances where paragraph A. above does not apply, we do not have the duty to assume control of the investigation, settlement or defense of any claim or **suit** against the **insured**. We do, however, have the right to participate in the investigation, settlement or defense of any claim or **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item 4 of the Declarations.

If we are prevented by law from carrying out this provision, we will pay any expense incurred with our consent.

Limits of Insurance

Applicable to Coverage A and Coverage B

A. With respect to Coverage A and Coverage B, the Limits of Insurance shown in Item 4 of the Declarations and the rules below determine the most we will pay, regardless of the number of:

1. **insureds**;
2. claims made or **suits** brought against any or all **insureds**;
3. coverages provided under this policy; or
4. persons or organizations making claims or bringing **suits**.

UTEX 000636

Limits of Insurance

Applicable to Coverage A and Coverage B (continued)

B. The Limits of Insurance of this policy will apply as follows:

1. The limit for Each Occurrence stated in Item 4 a. of the Declarations is the most we will pay for all damages arising out of any one occurrence, even if such damages are covered, in whole or in part, under both Coverage A and Coverage B.

   Any amount paid for damages arising out of an occurrence will reduce the amount of the applicable aggregate limit of insurance available for payment of damages arising out of any other occurrence.

   If the applicable aggregate limit of insurance has been reduced by payment of damages to an amount that is less than the limit for Each Occurrence stated in Item 4 a. of the Declarations, the remaining aggregate limit of insurance is the most that will be available for payment of damages arising out of any other occurrence.

2. Subject to paragraph B.1. above, the limit stated in Item 4 b. of the Declarations for the Products Completed Operations Aggregate is the most we will pay for all damages under the products-completed operations hazard.

3. Subject to paragraph B.1. above, the limit stated in Item 4 c. of the Declarations for the Other Aggregate is the most we will pay for all damages under Coverage A, and separately under Coverage B, except for: a) damage covered under the products-completed operations hazard or, b) damage covered in **underlying insurance** to which no underlying aggregate limit applies.

   However, with respect to Coverage A only, the Other Aggregate will apply in the same manner as the aggregate in each policy listed in the Schedule of Underlying insurance.

C. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

Applicable to Coverage A Only

A. With respect to Coverage A and subject to paragraphs B.1., B.2. and B.3. above:

1. if the limits of **underlying insurance** have been reduced by payment of **loss**, this policy will drop down to become immediately excess of the reduced underlying limit; or

2. if the limits of **underlying insurance** have been exhausted by payment of **loss**, this policy will continue in force as **underlying insurance.**

UTEX 000637

Limits of Insurance

Applicable to Coverage A Only (continued)

The provisions of A.1. and A.2. above apply to injury or offense which takes place before the expiration of this policy or the underlying policy, whichever comes first.

Exclusions

Applicable to Coverage A and Coverage B

A. Under Coverage A and Coverage B, this insurance does not apply to:

Asbestos Liability

any liability based on, attributable to, related to or in any manner arising out of:

1. the mining, processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibers or material containing asbestos;
2. exposure to asbestos, asbestos fibers or material containing asbestos; or
3. any error or omission in supervision, instructions, recommendations, notices, warnings, or advice given, or which should have been given, in connection with asbestos, asbestos fibers or material containing asbestos.

Employment Practices

any liability based on, attributable to, related to or in any manner arising out of any actual or alleged:

1. termination of any employee;
2. failure to promote or advance any employee; or
3. failure to hire any prospective employee or any applicant for employment.

Laws, Various

any liability or obligation imposed on the **insured** under any of the following:

1. any uninsured/underinsured motorist or **automobile** no fault or first party personal injury law;
2. any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
3. the United States' Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

Nuclear Energy Liability

any liability excluded by the Nuclear Energy Liability Exclusion on Page 19 of this policy.

UTEX 000638

Exclusions
(continued)

Applicable to Coverage A Only

B. Under Coverage A, this insurance does not apply to:

Pollution Liability

1. any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

   a. that are, or that are contained in any property that is:

      (1) being moved from the place where such property or **pollutants** are accepted by an **insured** for movement into or onto the covered auto;

      (2) being transported or towed by the covered auto;

      (3) otherwise in the course of transit by or on behalf of an **insured**;

      (4) being stored, disposed of, treated or processed in or upon the covered auto; or

      (5) being moved from the covered auto to the place where such property or **pollutants** are finally delivered, disposed of or abandoned by an **insured**;

   b. at or from any premises, site or location which is or was at any time, owned or occupied by, or rented or loaned to, any **insured**;

   c. at or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;

   d. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom any **insured** may be legally responsible; or

   e. at or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations:

      (1) if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor; or

      (2) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of **pollutants**.

UTEX 000639

Exclusions

Applicable to Coverage A Only (continued)

Paragraphs 1.a.(4) and 1.b. through 1.e. above do not apply to fuels, lubricants, fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered auto or its parts, if the **pollutants** escape, seep or migrate or are discharged, dispersed or released directly from an auto part designed by its manufacturer to hold, store, receive or dispose of such **pollutants**.

Paragraphs 1.b. through 1.e. above do not apply to **pollutants** not in or upon the covered auto if:

a. the **pollutants** or any property in which the **pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of the covered auto;

b. the discharge, dispersal, seepage, migration, release or escape of the **pollutants** is caused directly by such upset, overturn or damage; and

c. the bodily injury or property damage is not otherwise excluded under paragraph 1.a. of this exclusion.

Paragraphs 1.b. and 1.e.(1) above do not apply to bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.

2. any loss, cost or expense arising out of any:

   a. request, demand or order that any **insured** or others test for, monitor, **clean up, remove, contain, treat, detoxify**, or **neutralize**, or in any way respond to, or assess the effects of **pollutants**; or

   b. claim or **suit** by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

As used in this exclusion:

1. **hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be; and

2. **pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned, reclaimed or disposed of.

Underlying Insurance Exclusions

any liability excluded by **underlying insurance**.

UTEX 000640

Exclusions
(continued)

Applicable to Coverage B Only

C. Under Coverage B, this insurance does not apply to:

Aircraft, Owned or Chartered Without Crew

any liability arising out of the ownership, maintenance, use, loading or unloading or entrustment to others of any aircraft owned by you or rented, loaned, or chartered by or on behalf of you without crew.

Autos: USA, Puerto Rico and Canada

any liability arising out of the ownership, maintenance, use, loading or unloading or entrustment to others of **autos** within the United States of America, including its possessions and territories, Puerto Rico, Canada or while **autos** are being transported between these places.

Breach of Contract, Failure to Perform, Wrong Description

advertising injury arising out of:

1. breach of contract;
2. the failure of goods, products or services to conform with advertised quality or performance; or
3. the wrong description of the price of goods, products or services.

Damage to Impaired Property

property damage to **impaired property** or property that has not been physically injured arising out of:

1. a defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
2. a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

Damage to Your Product

property damage to **your product** arising out of it or any part of it.

Damage to Your Work

property damage to **your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

UTEX 000641

Exclusions

Applicable to Coverage B Only
(continued)

Employee Injury

1. any injury to an employee of the **insured** arising out of and in the course of employment by the **insured**; or
2. any injury to the spouse, child, parent, brother, or sister of that employee as a consequence of 1. above.

This exclusion applies whether the **insured** may be liable as an employer or in any other capacity, or to any obligation to share damages with or repay someone else who must pay damages because of an injury.

Falsity, Prior Publication, Willful Violation

personal injury or **advertising injury** arising out of:

1. oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
2. oral or written publication of material whose first publication took place before the beginning of the policy period; or
3. willful violation of a penal statute or ordinance committed by or with the consent of the **insured**.

Intentional Acts

bodily injury or **property damage** which results from an act that is intended by the **insured** or can be expected from the standpoint of a reasonable person to cause **bodily injury** or **property damage**, even if the injury or damage is of a different degree or type than actually intended or expected.

This exclusion does not apply to **bodily injury** caused by the use of reasonable force to protect people or property.

Owned Watercraft

any liability arising out of the ownership, maintenance, use, loading or unloading or entrustment to others of any watercraft owned by you. This exclusion does not apply to watercraft while ashore on premises you own or rent.

Pollution Liability

1. any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**; or

UTEX 000642

Exclusions

Applicable to Coverage B Only (continued)

2. any loss, cost or expense arising out of any:

   a. request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**; or

   b. claim or **suit** by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

As used in this exclusion, **pollutants** means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned, reclaimed or disposed of.

This exclusion applies whether or not the pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.

Product Recall

damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. **your product**;
2. **your work**; or
3. **impaired property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

Property Damage, Various

property damage to:

1. property you own;
2. that particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations;
3. that particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it; or
4. the property of one **insured** in the care, custody or control of another **insured**.

Paragraph 3. of this exclusion does not apply to **property damage** included in the **products-completed operations hazard.**

UTEX 000643

Definitions

Applicable to Coverage A and Coverage B

In this policy words and phrases appearing in bold-face type have the defined meanings shown below.

A. The following Definitions are applicable to Coverage A and Coverage B.

Other insurance means a policy of insurance affording coverage that this policy also affords. **Other insurance** includes any type of self-insurance or other mechanism by which an **insured** arranges for funding of legal liabilities.

Other insurance does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy affording coverage that this policy also affords.

Suit means a civil proceeding in which injuries or damages to which this insurance applies are alleged. **Suit** includes:

1. an arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
2. any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

Underlying insurance means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy.

Applicable to Coverage A Only

B. The following definitions are applicable to Coverage A only.

Insured means:

1. the Named Insured stated in Item 1 of the Declarations;
2. any person or organization included as an insured in **underlying insurance**; and
3. at your option and subject to the terms of this policy at the time of claim or **suit**, persons or organizations included as additional insureds in **underlying insurance**, but only for their liability arising out of operations of the Named Insured.

Loss means those sums actually paid in the settlement or satisfaction of a claim which the **insured** is legally obligated to pay as damages because of injury or offense, after making proper deductions for all recoveries and salvage.

Applicable to Coverage B Only

C. The following definitions are applicable to Coverage B only.

Advertising injury means injury, other than **bodily injury** or **personal injury**, arising solely out of one or more of the following offenses committed in the course of **advertising** your goods, products or services:

1. oral or written publication of **advertising** material that slanders or libels a person or organization;
2. oral or written publication of **advertising** material that violates a person's right of privacy; or

UTEX 000644

Definitions

Applicable to Coverage B Only (continued)

3. infringement of copyrighted titles, slogans or other **advertising** materials.

Advertising means any paid: advertisement, publicity article, broadcast or telecast.

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; but an **auto** does not include **mobile equipment**.

Bodily injury means physical injury, sickness or disease to a person and, if arising out of the foregoing, mental anguish, mental injury, shock or humiliation, including death at any time resulting therefrom.

Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

1. it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
2. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. the repair, replacement, adjustment or removal of **your product** or **your work**, or
2. your fulfilling the terms of the contract or agreement.

Insured means:

1. the **named insured;**
2. any partner, joint venture member, executive officer, employee, director or stockholder of the **named insured** while acting within the scope of his or her duties as such;
3. if the **named insured** is an individual, the individual so designated and spouse, but only with respect to the conduct of a business of which the individual is the sole proprietor;
4. any organization over which the **named insured** maintains majority interest and to which more specific insurance does not apply, other than one which you newly acquire or form;
5. any newly acquired or formed organization over which the **named insured** maintains majority interest and to which more specific insurance does not apply; provided that this policy does not apply to any injury or damage that took place before you acquired or formed the organization;
6. any person or organization while acting as your real estate manager; or
7. your legal representative if you die, but only with respect to duties as such.

No person or organization is an **insured** with respect to the conduct of any current, past or newly formed partnership or joint venture that is not designated within the Declarations of this policy as **named insured.**

UTEX 000645

Definitions

Applicable to Coverage B Only (continued)

Insured contract means any written or oral agreement entered into by the **insured** in the usual course of the business operations of the **insured** in which the **insured** assumes **tort liability** of another to pay damages because of **bodily injury**, **property damage**, **personal injury** or **advertising injury** to a third person or organization where the contract or agreement is made prior to the injury or offense.

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

1. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. vehicles maintained for use solely on or next to premises you own or rent;
3. vehicles that travel on crawler treads;
4. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
   a. power cranes, shovels, loaders, diggers or drills; or
   b. road construction or resurfacing equipment such as graders, scrapers or rollers;
5. vehicles not described in 1., 2., 3. or 4. above, that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
   a. air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
   b. cherry pickers and similar devices used to raise or lower workers;
6. vehicles not described in 1., 2., 3. or 4. above, maintained primarily for purposes other than the transportation of persons or cargo.

   However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **autos**:

   a. equipment designed primarily for:
      (1) snow removal;
      (2) road maintenance, but not construction or resurfacing; or
      (3) street cleaning;
   b. cherry pickers and similar devices mounted on an **auto** or truck chassis and used to raise or lower workers; and
   c. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

UTEX 000646

Definitions

Applicable to Coverage B Only (continued)

Named insured means the person(s) and organization(s) designated in Item 1 of the Declarations of this policy.

Occurrence means:

1. with respect to **bodily injury** or **property damage** liability, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

2. with respect to **personal injury** or **advertising injury**, a covered offense. All damages that arise from the same act, publication or general conditions are considered to arise out of the same occurrence, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.

Personal injury means injury, other than **bodily injury**, arising out of one or more of the following offenses committed in the course of your business, other than your **advertising**:

1. false arrest, detention or imprisonment;
2. malicious prosecution;
3. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or persons occupy, by or on behalf of its owner, landlord or lessor;
4. oral or written publication of material that slanders or libels a person or organization;
5. oral or written publication of material that violates a person's right of privacy; or
6. **discrimination (unless insurance thereof is prohibited by law).**

Products-completed operations hazard means all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned. **Your work** will be deemed completed at the earliest of the following times:
   a. when all of the work called for in your contract has been completed;
   b. when all of the work to be done at the site has been completed if your contract calls for work at more than one site; or

UTEX 000647

Definitions

Applicable to Coverage B Only
(continued)

c. when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **bodily injury** or **property damage** arising out of:

1. the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by loading or unloading of it; or
2. the existence of tools, uninstalled equipment or abandoned or unused materials.

Property damage means:

1. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.

Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Your product means:

1. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
   a. you;
   b. others trading under your name; or
   c. a person or organization whose business or assets you have acquired; and
2. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

1. warranties or representation made at any time with respect to the fitness, quality, durability, performance or use of **your product** and
2. the providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for use of others but not sold.

Your work means:

1. work or operations performed by you or on your behalf; and

UTEX 000648

Definitions

Applicable to Coverage B Only (continued)

2. materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

1. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
2. the providing of or failure to provide warnings or instructions.

Conditions

Applicable to Coverage A and Coverage B

The following Conditions are applicable to both Coverage A and Coverage B.

Appeals

At our option we can initiate or participate in an appeal of a judgment against any **insured** if the judgment is for more than the amount of the Retained Limit Aggregate stated in Item 4 d. of the Declarations or the limits of insurance of **underlying insurance**.

If we initiate or participate in an appeal, we will pay our costs of the appeal. These payments will be in addition to the Limits of Insurance of this policy.

Audit of Books and Records

We may audit the **insured's** books and records at any time during the term of this insurance or within three years after expiration or termination.

Bankruptcy or Insolvency

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of our obligations under this policy.

Cancellation

The first **named insured** may cancel this policy at any time by sending us a written request or by returning the policy stating the date of cancellation.

We may cancel this policy at any time by sending to the first **named insured** a notice of 60 days (10 days in the event of non-payment of premium) in advance of the cancellation date. Our notice of cancellation will be mailed to the first **named insured's** last known address, and will indicate the date on which coverage is terminated.

If cancellation is at the request of the **insured**, return premium will be computed at 90% of pro rata. If we cancel, return premium will be computed pro rata. If this policy insures more than one **insured**, cancellation may be effected by the first **named insured** for the account of all the **insureds**. Notice of cancellation by us to such first **named insured** will be deemed notice to all **insureds** and payment of any return premium to such first **named insured** will be for the account of all interests.

UTEX 000649

Conditions

Applicable to Coverage A and Coverage B
(continued)

Changes

Notice to any agent or knowledge possessed by any agent or by any other person will not affect a waiver or change in any part of this policy. This policy can only be changed by a written endorsement that becomes part of this policy.

Duties in the Event of Occurrence, Claim or Suit

You must see to it that we and your underlying insurers:

1. are notified as soon as possible of any occurrence which may result in a claim if the claim may involve this policy or any **underlying insurance**;
2. receive notice of the claim or **suit** as soon as possible;
3. are helped, at our request, to enforce any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance applies; and
4. receive the **insured's** full cooperation as stated in this policy or in any **underlying insurance**.

Additionally, it is a requirement of this policy that:

1. the **insured** not make any admission of liability; and
2. the **insured** not, unless we agree, incur any expense or make any payment other than for first aid. Any such unauthorized expenses will be at the **insured's** own cost.

First Named Insured

The person or organization first named in Item 1 of the Declarations is primarily responsible for the payment of all premiums. The first **named insured** will act on behalf of all other **insureds** for the giving and receiving of notice of cancellation and the receiving of any return premiums that become payable under this policy.

Inspection

We have the right, but are not obligated to inspect the **insured's** premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

UTEX 000650

Conditions

Applicable to Coverage A and Coverage B
(continued)

Maintenance of Underlying Insurance

While this policy is in effect you agree to maintain **underlying insurance** in full force. This means that:

1. **underlying insurance** may not be cancelled or non-renewed by either you or the insurance company without notifying us;
2. renewals or replacements of **underlying insurance** will not be more restrictive in coverage;
3. terms, conditions and endorsements of **underlying insurance** will not materially change;
4. collectibility of **underlying insurance** limits as listed in the Schedule of Underlying Insurance, or replacements thereof, must be available regardless of the bankruptcy or insolvency of the underlying insurers; and
5. limits of **underlying insurance** will not change except for any reduction in the aggregate limits of insurance by payment of **loss.**

Your failure and/or your underlying insurer's failure to comply with this condition will not invalidate this policy but in the event of such failure, we will only be liable to the same extent as if there had been compliance with this condition.

Other Insurance

If **other insurance** applies to claims covered by this policy, the insurance under this policy is excess and we will not make any payments until the **other insurance** has been exhausted by payment of claims. This insurance is not subject to the terms or conditions of any **other insurance.**

Premium

The premium for this policy as stated in Item 3 of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first **named insured**, this insurance applies:

1. as if each **named insured** were the only **named insured**; and
2. separately to each **insured** against whom claim is made or **suit** is brought.

Titles of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy, are inserted solely for convenience or reference and are not to be deemed in any way to affect the provisions to which they relate.

UTEX 000651

Conditions

Applicable to Coverage A and Coverage B *(continued)*

Transfer of Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property.

Transfer of Rights of Recovery

1. If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

2. Any amount recovered will be apportioned in the inverse order of payment of loss to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

When Loss is Payable

This policy will not apply until the **insured**, or the **insured's** underlying insurer is obligated to pay the full amount of the underlying limit or Retained Limit Aggregate. When the amount of loss has finally been determined, we will promptly pay on behalf of the **insured** the amount of loss which falls within the terms of this policy. The first **named insured** will promptly reimburse us for any amount within the Retained Limit Aggregate paid by us.

Nuclear Energy Liability Exclusion

This policy does not apply to:

A. any injury or damage:

1. with respect to which an **insured** under the policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic, Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its terminations upon exhaustion of its limits of insurance; or

2. resulting from the **hazardous properties** of **nuclear material** and with respect to which a) person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

UTEX 000652

Nuclear Energy Liability Exclusion

B. any injury or **nuclear property damage** resulting from the **hazardous properties** of **nuclear material**, if:

1. the **nuclear material** a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or b) has been discharged or dispersed therefrom;

2. the **nuclear material** is contained in spent fuel or **nuclear waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or

3. the injury or **nuclear property damage** arises out of the furnishing by an **insured** of services, materials, parts of equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion 3. applies only to **nuclear property damage** to such **nuclear facility** and any property therein.

C. As used in this exclusion:

1. **Hazardous properties** includes radioactive, toxic or explosive properties.

2. **Nuclear facility** means:

   a. any **nuclear reactor**;

   b. any equipment or device designed or used for

      (1) separating the isotopes of uranium or plutonium,

      (2) processing or utilizing **spent fuel** or

      (3) handling, processing or packaging **nuclear waste**;

   c. any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

   d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of, **nuclear waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

3. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**.

4. **Nuclear property damage** includes all forms of radioactive contamination of property.

5. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

UTEX 000653

Nuclear Energy Liability Exclusion
(continued)

6. **Nuclear waste** means any nuclear waste material a) containing **by-product material** other than the tailings of nuclear waste produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and b) resulting from the operation by any person or organization of any **nuclear facility** included within the definition of **nuclear facility** under paragraph a. or b.

7. **Source material**, **special nuclear material**, and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

8. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

UTEX 000654

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement Texas Amendatory Endorsement

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Insuring Agreements," "Coverage A - Excess Follow Form Liability Insurance," the last sentence is deleted and replaced by the following:

If we are prevented from paying on behalf of the **insured** for coverage provided under this insurance, then the **insured** will be indemnified.

Under "Insuring Agreements," "Coverage B - Umbrella Liability Insurance," the last sentence is deleted and replaced by the following:

If we are prevented from paying on behalf of the **insured** for coverage provided under this insurance, then the **insured** will be indemnified.

Under "Defense and Supplementary Payments," paragraph A. is deleted and replaced by the following:

A. We have the right to assume control of the investigation, settlement or defense of any claim or **suit** against the **insured** for damages covered by this policy:

1. under Coverage A, when the applicable limit of **underlying insurance** has been exhausted by payment of claims; or

2. under Coverage B, when damages are sought for **bodily injury**, **property damage**, **personal injury**, or **advertising injury** to which no **underlying insurance** or **other insurance** applies.

Under "Conditions" the conditions titled "Cancellation" and "When Loss is Payable" are deleted and replaced by the following:

UTEX 000655

Endorsement
Texas Amendatory Endorsement
(continued)

Cancellation

1. The first **named insured** may cancel this policy at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

2. We may cancel this policy by mailing or delivering to the first **named insured** written notice of cancellation, stating the reason for cancellation, at least:

   a. 20 days before the effective date of cancellation if we cancel for nonpayment of premium; or

   b. 60 days before the effective date of cancellation if we cancel for any other reason.

   If this policy is in its initial policy period and has been in effect for 60 days or less, we may cancel for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the first **named insured** is an elected official.

   Renewal of continuation policies, or policies in their initial policy period which have been in effect for more than 60 days:

   We may cancel only for one or more of the following reasons:

   1. fraud in obtaining coverage;
   2. failure to pay premiums when due;
   3. an increase in hazard with the control of the **insured** which would produce an increase in rate;
   4. loss of our reinsurance covering all or part of the risk covered by the policy; or
   5. if we have been placed in suspension, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

   If we cancel, we will mail or deliver written notice of cancellation, stating the reason for cancellation, to you at least;

   1. 20 days before the effective date of cancellation if we cancel for nonpayment of premium; or 60 days before the effective date of cancellation if we cancel for any other reason, other than nonpayment of premium, listed above.
   2. 60 days before the effective date of cancellation if we cancel for any other reason, other than nonpayment of premium, listed above.

   Our notice of cancellation will be mailed to the first **named insured**'s last mailing address known to us and will indicate the date on which coverage is terminated. If notice is mailed, proof of mailing will be sufficient proof of notice.

   The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

UTEX 000656

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement
Texas Amendatory Endorsement
(continued)

When Loss is payable

This policy will not apply until the **insured**, or the **insured**'s underlying insurer is obligated to pay the full amount of the underlying limit or Retained Limit Aggregate. When the amount of loss has finally been determined, we will promptly indemnify the **insured** for the amount of loss which falls within the terms of this policy. The first **named insured** will promptly reimburse us for any amount within the Retained Limit Aggregate paid by us.

Under "Conditions," the following conditions are added:

Nonrenewal

We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the first **named insured** is an elected official.

If we decide not to renew this policy, we will mail or deliver to the first **named insured** written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

We will mail or deliver our notice to the first **named insured**'s last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

UTEX 000657

Endorsement
Texas Amendatory Endorsement
(continued)

Texas Claim Procedures

1. Within 15 days after we receive your written notice of claim, we must:

    a. acknowledge receipt of the claim;

        If our acknowledgment of the claim is not in writing, we will keep a record of the date, method and content of our acknowledgment.

    b. begin an investigation of the claim;

    c. specify the information you must provide in accordance with paragraph b. above.

    We may request more information if during the investigation of the claim such additional information is necessary.

2. After you provide and we receive all the information we request from you, we must notify you in writing whether the claim will be paid or is denied or whether more information is needed:

    a. within 15 **business days**; or

    b. within 30 days if we have reason to believe the loss resulted from arson.

3. If we do not approve payment of your claim or we require more time for processing your claim, we must:

    a. give the reasons for denying your claim, or

    b. give the reasons we require more time to process your claim. But we must either approve or deny your claim within 45 days after requesting more time.

4. Loss Payment

    a. If you are notified that the claim, or part of the claim, will be paid, we will pay within 5 **business days** after the notice has been made.

    b. If payment of the claim, or part of the claim, requires the performance of an act by you, we must pay within 5 **business days** after the act is performed.

5. Notice of Settlement of Liability Claim

    a. We will notify you in writing of any initial offer to compromise or settle a claim against you under the liability section of this policy. We will give you notice within 10 days after the date the offer is made.

UTEX 000658

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement
Texas Amendatory Endorsement
(continued)

b. We will notify you in writing of any settlement of a claim against you under the liability section of this policy. We will give you notice within 30 days after the date of the settlement.

6. In compliance with Texas law, we will not cancel or refuse to renew this policy solely because the first **named insured** is an elected official.

As used in this condition, **business days(s)** means a day other than a Saturday, Sunday or holiday recognized by the state of Texas.

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000659

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement Advertising Injury Exclusion - Coverage B

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Exclusions", "Applicable to Coverage B Only", the following exclusion is added:

Advertising Injury

advertising injury.

It is agreed that, with respect to Coverage B, all references in the policy to **advertising injury** are deleted and no coverage is provided.

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000660

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement Aircraft Products Exclusion - Coverage A and Coverage B

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Exclusions", "Applicable to Coverage A and Coverage B", the following exclusion is added:

Aircraft Products

any liability arising out of aircraft products including:

1. missiles or spacecraft and any ground support or control equipment used therewith;
2. any article furnished by the **insured** and installed in aircraft or used in connection with aircraft or for spare parts for aircraft; or
3. tooling used for manufacture thereof, including: ground handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, engineering or other advice and service and labor relating to such aircraft or articles.

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000661

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement Care, Custody or Control Exclusion - Coverage A and Coverage B

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Exclusions", "Applicable to Coverage A and Coverage B", the following exclusion is added:

Care, Custody or Control

any damage to property described below, if the property is in the care, custody or control of the **insured**.

Description of property:

REAL & PERSONAL

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000662

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement Intellectual Property Exclusion - Coverage A and Coverage B

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Exclusions", "Applicable to Coverage A and Coverage B", the following exclusion is added:

Intellectual Property

This insurance does not apply to any liability arising out of or directly or indirectly related to: the actual or alleged publication or utterances of oral or written statements of any type which is claimed as an infringement, violation or defense of any of the following rights or laws:

1. copyright, other than infringement of copyrighted advertising materials;
2. patent;
3. trade dress;
4. trade secrets; or
5. trade mark or service mark or certification mark or collective mark or trade name, other than trademarked or service marked titles or slogans.

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000663

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Endorsement

Policy Period	JUNE 01, 1998	to JUNE 01, 1999
Effective Date	June 1, 1998	
Policy Number	7977-67-08	
Insured	UTEX INDUSTRIES	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 16, 1998	

Endorsement = Pollution Exclusion - Coverage A - Absolute

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT

Under "Exclusions", "Applicable to Coverage A Only", the exclusion titled "Pollution Liability" is deleted and replaced with the following:

Pollution Liability

1. any liability arising out of the actual, alleged or threatened discharge, dispersal, migration, seepage, release or escape of **pollutants**.
2. any loss, cost or expense arising out of any:
   a. request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
   b. claim or suit by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way respond to, or assessing the effects of **pollutants**.

As used in this exclusion, **pollutants** means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned, reclaimed or disposed of.

UTEX 000664

Endorsement
Pollution Exclusion - Coverage A - Absolute
(continued)

This exclusion applies whether or not the pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date June 16, 1998

UTEX 000665

THE CHUBB COMMERCIAL UMBRELLA

Policy Notice

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Chubb's toll-free telephone number for information or to make a complaint at

1-800-36-CHUBB

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para someter una queja:

Usted puede llamar al número de teléfono gratis de Chubb's para información o para someter una queja al

1-800-36-CHUBB

Puede comunicarse con el Departamento de Serguros de Texas para obtener información acerca de compañias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente primero. Si no se resueve la disputa, pueded entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para propósito de información y no se convierte en parte o condición del documento adjunto.

UTEX 000666

THE CHUBB COMMERCIAL UMBRELLA

Schedule of Underlying Insurance

Effective date JUNE 1, 1998

Policy Number 7977-67-08

Insured UTEX INDUSTRIES

Employers Liability

Name	KEMPER INSURANCE	*Coverage B - Employer's Liability*		
		$	1,000,000.	*each Accident*
		Disease		
Policy No.	3BR013465-00			
Term	06/01/1998	$	1,000,000.	*each Policy*
to	06/01/1999	$	1,000,000.	*each Employee*
				each State

Automobile Liability

Name	KEMPER INSURANCE	*Bodily Injury Liability*		
				each Person
Policy No.	3FX001061-00			*each Occurrence*
Term	06/01/1998	*Property Damage Liability*		
to	06/01/1999			*each Occurrence*
		or		
		$	1,000,000.	*Combined Single Limit*

Includes all owned, non-owned and hired cars
TX

Automobile Liability

Name	KEMPER INSURANCE	*Bodily Injury Liability*		
				each Person
Policy No.	F3R01137-01			*each Occurrence*
Term	06/01/1998	*Property Damage Liability*		
to	06/01/1999			*each Occurrence*
		or		
		$	1,000,000.	*Combined Single Limit*

Includes all owned, non-owned and hired cars
O/S

UTEX 000667

Automobile Liability

Name	KEMPER INSURANCE	*Bodily Injury Liability*		
				each Person
Policy No.	X3P083221-01			*each Occurrence*
Term	06/01/1998	*Property Damage Liability*		
to	06/01/1999			*each Occurrence*
		or		
		$	1,000,000.	*Combined Single Limit*

Includes all owned, non-owned and hired cars
MA

CHUBB

THE CHUBB COMMERCIAL UMBRELLA

Schedule of Underlying Insurance

Effective date	JUNE 1, 1998
Policy Number	7977-67-08
Insured	UTEX INDUSTRIES

Authorization

All other terms and conditions remain unchanged.

Authorized Representative Robert Hamburger

Date February 13, 1999

UTEX 000668